

LABOR NEWS

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Mike Huckabee, Governor

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The employees of the Arkansas Department of Labor would like to express their heartfelt sorrow over the September 11 terrorist attacks, and their continued prayer for the victims and their families.

The U.S. Department of Labor has setup 023.a webpage to assist the victims and those involved in the recovery efforts. For more information, visit:

www.dol.gov/_sec/programs/repands.htm

SECRETARY OF LABOR DELIVERS “STATE OF THE WORKFORCE” ADDRESS

On August 30, 2001, U.S. Secretary of Labor Elaine Chao addressed the Council for Excellence in Government in Washington, D.C. The following are excerpts from her speech.

“One of the first things I did after coming to the Department of

Labor was call for a ‘Summit on the 21st Century Workforce.’ Union leaders, business leaders, non-profit executives, and academics from all across America came to Washington with a single purpose: to focus America’s attention on the challenges of the 21st century workforce...Let me tell you what we discovered.

First, yesterday’s skills will not fuel tomorrow’s economy.

Today unemployment has a new meaning. Years ago, unemployment meant no jobs. Today, in many cases, unemployment means a disconnect between the new jobs our economy is producing – and the current skill levels of Americans in the workforce. The ‘skills gap’ is too wide for too many Americans.

Many Americans want to work; yet many of the jobs created by the economy go begging because employers cannot find qualified workers. Job training and education are more important than ever – especially for workers in manufacturing jobs and those just starting out.

Just take a look at the earnings gap between college and high-school graduates in this country – in 1979, college graduates made 38 percent more than high school grads. Today, in 2001, college graduates earn 70 percent more.

The unemployment rate for a high-school drop out is nearly four times the rate for a college graduate...

Second, America is facing an incredible shrinking workforce.

No one needs to tell us that our workforce is growing smaller.

Or that the number of retired Americans is increasing.

I call it the ‘Incredible Shrinking Workforce.’ Another name for it could be a 21st century labor shortage. The number of people in the labor force ages 25-34 is projected to decline by 2.7 million in the next seven years...

In the next seven years, the number of people in the labor force ages 45-64 will grow faster than any other age group. And young people are more fluid, less tied down to one job and one career.

Today, the average 32-year-old has already changed jobs nine times. Gone from broke to flush, from worker to manager, from dreamer to company president and back again – in less time than many of us spent on our first apprenticeship.

What we need now is new solutions. WE need ways to use technology to guarantee that everyone who wants to work, can work – older workers, workers with disabilities, single moms.

We also need to address help for those who are working harder and longer. L Today, only 24 percent of American children have a working father and a stay-at-home mother. WE need to help people balance the demands of work and home.

And we can help immigrants. They are the dreamers who came to America – the land of opportunity for a new start and a brighter future. America is welcoming more immigrants into the economy than ever before...

Third, workers are safer and healthier.

The American workplace has never been safer than it is today.

Statistics released less than two weeks ago tell us work fatalities have decreased even while overall employment has grown.

For the first time since the fatality census was initially conducted in 1992, the number of job-related highway deaths – the most frequent accidents – are down and declining. This is evidence that government and industry can work hand-in-hand to create the safety workplaces in the world.

Compliance education is working and can be more effective over time. It is a pro-active program that keeps accidents from happening in the first place instead of slapping wrists after the fact. But you can be sure that the Department of Labor will punish those who try to disregard worker health and safety.

But the Department is not resting on these accomplishments. We can do better. For example, workplace fatalities among Hispanic workers are going up. More English language training, more education, more partnerships, and more outreach to community and faith-based groups are needed. I have asked OSHA to form a task force to reach out and educate Hispanic workers and their families about health and safety.

And we can help all workers enjoy a safe and secure retirement.

At the close of the 20th century, a typical worker received more than 25 percent of their compensation in the form of benefits...

As recently as 1960, there were five workers for every Social Security beneficiary. In 50 years, experts predict that only two workers will pay for each beneficiary. We need new ways of thinking about Social Security...

Labor Day 2001. The state of the workforce is strong, skilled, and safe. Challenges abound. We will meet these challenges if we work together – as one nation, with one focus: to improve the lives of America's working families.

Thank you and may God bless our work.



JOB RIGHTS FOR VETERANS' AND RESERVES AVAILABLE

The Veterans' Employment and Training Service (VETS) has information for veterans, national guard or reservists who may be activated for military service.

National Guard and Reserve members called to active duty, and their civilian employers, have certain rights and responsibilities under the Uniformed Services Employment and Reemployment Rights Act (USERRA). The Act is administered and enforced by the U.S. Department of Labor's Veterans' Employment and Training Service (VETS). VETS has developed a fact sheet and an interactive computer program, the USERRA Advisor, which address the rights and responsibilities of individuals and their employers, under the law. You may access these at the U.S. Department of Labor's website www.dol.gov

Should you need further information, contact your local VETS office. The U.S. Department's toll-free Call Center can assist workers and employers with questions about Reemployment Rights for Veterans, National Guard or Reservists: 1-866-4-USA-DOL (TTY: 1-877-TTY-JOBS).

DEPARTMENT UNVEILS NEW WEBSITE

The Arkansas Department of Labor has unveiled a new website at

www.state.ar.us/labor/

Designed by the Information Network of Arkansas, the new website offers many features previously unavailable to the public such as:

- ❑ Online renewal of electrical licenses
- ❑ Ability to download all Arkansas laws, rules and regulations relating to labor
- ❑ Power Point presentation on the Boiler Inspection Division
- ❑ Listing of all elevators in the state
- ❑ Numerous forms such as prevailing wage claim and determination forms, blasting training registration forms, and mailing list addition/revision form
- ❑ Upcoming training class schedules
- ❑ Survey results of Arkansas occupational injuries, illnesses and fatalities
- ❑ Safety News and Labor News newsletters
- ❑ Listing of all videos available for the public to borrow free of charge from our three video libraries around the state
- ❑ Press releases on safety award presentations, board meetings and public hearings
- ❑ Frequently asked questions compiled by category, and more.



IN THE WORKS

Among U.S. workers age 45-54, men's job-hopping has accelerated while women's has actually slowed. At the time of last year's survey, the median job stint among men in this group was 9.5 years, down from 12.8 in 1983. Among women, the figure was 7.3, up from 6.3.

Among recent immigrants aged 25-34, about 16 percent of workers have a master's or higher degree, while about 26 percent have not completed high school. In comparison, U.S.-born workers aged 25-34 are less than half as likely to have a master's or higher degree – about 7 percent attained that level of education. Another 7 percent of U.S.-born workers in this age group have not received a high school diploma.

In 2000, college graduates aged 25 and older **earned nearly \$400 more per week** (at the median) than workers who stopped with a high school diploma. College graduates have experienced growth in real (inflated-adjusted) earnings since 1979. By contrast, the real earnings of workers who dropped out of high school have declined.

Among poor consumer households, 61.8 percent contained only a single individual in 1999. Husband and wife type families comprised just over a tenth of households in the poor consumer group. Single-parent families account for 13.5 percent of the poor consumer households.

In 1987, there were about 18.8 million persons between the ages of 20 and 24 in the U.S.; by 1997, that figure dropped to less than 17.5 million. Yet, college enrollments increased from 4.1 million in 1987 to 5.2 million in 1997. College participation among this age group has increased from less than 22 percent to nearly 30 percent in ten years.

STATE'S INCOME AND EDUCATION LEVEL NEAR LOWEST IN NATION

According to the Census 2000 Supplementary Survey, 17.47 percent of Arkansans live at or below the nation's poverty level. This is the sixth highest rate in the country.

Our state's median household income was 48th in the nation at \$32,714. The \$41,343 national median is the income level at which 50 percent of households make more and 50 percent make less.

The three states with a lower median yearly income were Mississippi with \$31,955, Louisiana with \$31,034, and West Virginia with \$28,569.

The Census Bureau estimates that 25 percent of Arkansas' 680,000 children under the age of 18 live in homes below the federal poverty level. Senior citizens in Arkansas even live better than children, with only 16 percent of elderly living below the poverty level.

The state's Economic Development Department has pointed to the direct correlation between minimum wage jobs and high poverty levels. There are only an estimated 17 percent of Arkansans with a bachelor's degree

or higher, whereas nationally 25 percent of adults have graduated from college.



WOMEN DROPOUTS ABLE TO BOOST EARNINGS

Women who dropped out of high school between 1979 and 1984 and who passed the GED were earning 25 percent more – about \$1,328 – a decade after leaving high school than dropouts who didn't pass the test.

Adding a year of training brought results that are even more dramatic. Women who attended vocational school for one year earned about 50 percent more than women who had neither a GED nor training. For each year of training, women earned an average of \$1,239 more (in 1990 dollars) 10 years after leaving high school. This means that a woman with two years of training usually earned about \$2,480 more per year than a woman with no training.

REAL VALUE OF MINIMUM WAGE CONTINUES TO DECLINE

Even with a dozen increases in the level of the minimum wage over the past 30 years, when change in the cost of living is considered, today's \$5.15 minimum wage is only three-fourths its value in 1969. An

increase of \$1.62 would be required to restore the lost earning power.

In spite of the economy's exemplary record of modest price increases during the 1990s, gains in the minimum wage were not sufficient to significantly narrow

the gap between past increases in the cost of living and the minimum wage. As shown in the U.S. Department of Labor chart below, this gap originated in the 1980s, when an unchanged minimum wage encountered continuing increases in the cost of living.

